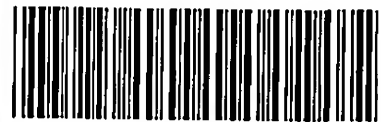

AGRESERVES LIMITED

ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2008

TUESDAY



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COMPANIES HOUSE

AGRESERVES LIMITED

COMPANY INFORMATION

DIRECTORS

P C Genho
D M Sleight
C R Jolliffe (resigned 22 September 2008)
J R Larson (appointed 12 August 2008)
C O Jones

COMPANY SECRETARY

P J Wheeler and G Lambert

COMPANY NUMBER

2947030

REGISTERED OFFICE

Manor Farm
Woodwalton
Huntingdon
Cambridgeshire
PE28 5YU

AUDITORS

M+A Partners
Chartered Accountants & Registered Auditors
7 The Close
Norwich
Norfolk
NR1 4DJ

AGRESERVES LIMITED

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AGRESERVES LIMITED

INDEPENDENT AUDITORS' REPORT TO AGRESERVES LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts of AgReserves Limited for the year ended 31 December 2008 set out on pages 2 to 15, together with the financial statements of the company for the year ended 31 December 2008 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company in accordance with section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

BASIS OF OPINION

We conducted our work in accordance with Bulletin 2006/3 'The special Auditors' report on abbreviated accounts in the United Kingdom' issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 15 have been properly prepared in accordance with that provision.

M+A Partners

M+A PARTNERS

Chartered Accountants
Registered Auditors

7 The Close
Norwich
Norfolk
NR1 4DJ

12 October 2009

AGRESERVES LIMITED

**ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2008**

	Note	2008 £	2007 £
GROSS PROFIT		4,731,827	1,772,982
Machinery and direct costs		(2,363,174)	(1,374,794)
Administrative expenses		(496,892)	(296,558)
OPERATING PROFIT	2	1,871,761	101,630
Charitable donations		-	(353,750)
Amounts written off investments		-	(1,390,645)
Profit on disposal of investments		-	7,997
Interest receivable		174,075	244,122
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		2,045,836	(1,390,646)
Tax on profit/(loss) on ordinary activities	5	(537,591)	-
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	13	1,508,245	(1,390,646)

All amounts relate to continuing operations.

The notes on pages 7 to 16 form part of these financial statements.

AGRESERVES LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2008**

	2008 £	2007 £
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	1,508,245	(1,390,646)
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	1,508,245	(1,390,646)

The notes on pages 7 to 16 form part of these financial statements.

AGRESERVES LIMITED
REGISTERED NUMBER: 2947030

ABBREVIATED BALANCE SHEET
AS AT 31 DECEMBER 2008

	Note	2008 £	2007 £
FIXED ASSETS			
Tangible fixed assets	6	2,508,511	2,336,543
Fixed asset investments	7	5,176	5,538,029
		<u>2,513,687</u>	<u>7,874,572</u>
CURRENT ASSETS			
Stocks	8	6,255,574	4,639,028
Debtors	9	2,343,199	2,266,266
Investments	10	5,532,853	-
Cash at bank and in hand		2,827,167	1,323,113
		<u>16,958,793</u>	<u>8,228,407</u>
CREDITORS: amounts falling due within one year	11	<u>(10,358,918)</u>	<u>(8,497,662)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>6,599,875</u>	<u>(269,255)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>9,113,562</u>	<u>7,605,317</u>
CAPITAL AND RESERVES			
Called up share capital	12	4,100,000	4,100,000
Capital redemption reserve	13	5,350,000	5,350,000
Profit and loss account	13	(336,438)	(1,844,683)
SHAREHOLDERS' FUNDS	14	<u>9,113,562</u>	<u>7,605,317</u>

AGRESERVES LIMITED

ABBREVIATED BALANCE SHEET (continued)
AS AT 31 DECEMBER 2008

The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to medium-sized companies, were approved and authorised for issue by the board and were signed on its behalf on 24 September 2009.



J R Larson
Director

The notes on pages 7 to 16 form part of these financial statements.

AGRESERVES LIMITED

**ABBREVIATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2008**

	Note	2008 £	2007 £
Net cash flow from operating activities	15	2,070,668	1,116,039
Returns on investments and servicing of finance	16	174,075	244,122
Capital expenditure and financial investment	16	(740,689)	(517,772)
INCREASE IN CASH IN THE YEAR		1,504,054	842,389

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 31 DECEMBER 2008**

	2008 £	2007 £
Increase in cash in the year	1,504,054	842,389
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	1,504,054	842,389
Other non-cash changes	-	1
MOVEMENT IN NET DEBT IN THE YEAR	1,504,054	842,390
Net funds at 1 January 2008	1,323,113	480,723
NET FUNDS AT 31 DECEMBER 2008	2,827,167	1,323,113

The notes on pages 7 to 16 form part of these financial statements.

AGRESERVES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2008

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 228 of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and equipment	-	Straight Line over 3 to 10 years
---------------------	---	----------------------------------

1.4 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.5 Operating leases

Rentals under operating leases are charged on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

AGRESERVES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2008

1. ACCOUNTING POLICIES (continued)

1.7 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are discounted.

1.8 Pensions

The company is a member of a multi-employer Deseret UK Benefit Plan that is of a defined benefit type and retirement benefits are payable through a separately funded UK pension scheme. The company has followed the requirements of FRS 17, Retirement Benefits and as the company is unable to identify its share of the underlying assets and liabilities of the scheme it is accounted for as a defined contribution scheme. Full details of the plan are provided in the financial statements of The Church of Jesus Christ of Latter-Day Saints (Great Britain).

2. OPERATING PROFIT

The operating profit is stated after charging:

	2008 £	2007 £
Depreciation of tangible fixed assets:		
- owned by the company	678,854	679,367
Auditors' remuneration	16,300	12,000
Operating lease rentals:		
- other operating leases	1,177,989	437,669
	<u>1,177,989</u>	<u>437,669</u>

AGRESERVES LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

3. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2008 £	2007 £
Wages and salaries	941,429	495,782
Other pension costs	114,412	62,021
	<u>1,055,841</u>	<u>557,803</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2008 No.	2007 No.
Farming	16	20
Office and management	9	9
	<u>25</u>	<u>29</u>

In 2007, a proportion of the staff costs were recharged to the subsidiary companies. This ceased in 2008, resulting in the full wages charge being reflected in Agreserves Limited.

4. DIRECTORS' REMUNERATION

	2008 £	2007 £
Emoluments	<u>101,334</u>	<u>92,309</u>
Company pension contributions to money purchase pension schemes	<u>11,165</u>	<u>14,264</u>

During the year retirement benefits were accruing to 1 director (2007 - 1) in respect of money purchase pension schemes.

5. TAXATION

	2008 £	2007 £
UK corporation tax charge on profit/loss for the year	<u>537,591</u>	<u>-</u>

AGRESERVES LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

5. TAXATION (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2007 - *lower than*) the standard rate of corporation tax in the UK (30%). The differences are explained below:

	2008 £	2007 £
Profit/loss on ordinary activities before tax	<u>2,045,836</u>	<u>(1,390,646)</u>
Profit/loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2007 - 30%)	613,751	(417,194)
Effects of:		
Expenses not deductible for tax purposes	10,226	415,623
Capital allowances for year in excess of depreciation	(57,793)	8,987
Utilisation of tax losses	-	(7,416)
Effect of 28% corporation tax rate for part of year	(28,348)	-
Adjustment for FII income	(245)	-
Current tax charge for the year (see note above)	<u><u>537,591</u></u>	<u><u>-</u></u>

6. TANGIBLE FIXED ASSETS

	Plant and equipment £
Cost	
At 1 January 2008	5,866,908
Additions	943,068
Disposals	(392,480)
At 31 December 2008	<u>6,417,496</u>
Depreciation	
At 1 January 2008	3,530,365
Charge for the year	678,854
On disposals	(300,234)
At 31 December 2008	<u>3,908,985</u>
Net book value	
At 31 December 2008	<u><u>2,508,511</u></u>
At 31 December 2007	<u><u>2,336,543</u></u>

AGRESERVES LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

7. FIXED ASSET INVESTMENTS

	Shares in group under- takings £	Listed investments £	Total £
Cost or valuation			
At 1 January 2008	5,532,853	5,176	5,538,029
Transfer to current assets	(5,532,853)	-	(5,532,853)
At 31 December 2008	-	5,176	5,176

Listed investments

The market value of the listed investments at 31 December 2008 was £7,114 (2007 - £19,472).

8. STOCKS

	2008 £	2007 £
Cultivations	2,891,848	2,103,969
Crop in store	3,363,726	2,535,059
	<u>6,255,574</u>	<u>4,639,028</u>

9. DEBTORS

	2008 £	2007 £
Trade debtors	2,106,770	1,967,677
Other debtors	236,429	298,589
	<u>2,343,199</u>	<u>2,266,266</u>

10. CURRENT ASSET INVESTMENTS

	2008 £	2007 £
Shares in group undertakings	5,532,853	-

AGRESERVES LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

11. CREDITORS:

Amounts falling due within one year

	2008	2007
	£	£
Trade creditors	159,288	562,430
Amounts owed to group undertakings	9,606,057	7,870,064
Corporation tax	537,591	-
Other creditors	55,982	65,168
	<u>10,358,918</u>	<u>8,497,662</u>

A composite guarantee dated 27 March 1998 is in place for indebtedness between AgReserves Limited and its two subsidiary companies, Hallsworth (Farmland Trust) Limited and Farmspeed (Southery Anchor) Limited.

12. SHARE CAPITAL

	2008	2007
	£	£
Authorised		
10,000,000 Ordinary shares of £1 each	<u>10,000,000</u>	<u>10,000,000</u>
Allotted, called up and fully paid		
4,100,000 Ordinary shares of £1 each	<u>4,100,000</u>	<u>4,100,000</u>

13. RESERVES

	Capital redempt'n reserve £	Profit and loss account £
At 1 January 2008	5,350,000	(1,844,683)
Profit for the year		1,508,245
	<u>5,350,000</u>	<u>(336,438)</u>
At 31 December 2008		

AGRESERVES LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

14. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2008 £	2007 £
Opening shareholders' funds	7,605,317	8,995,963
Profit/(loss) for the year	1,508,245	(1,390,646)
Closing shareholders' funds	<u>9,113,562</u>	<u>7,605,317</u>

15. NET CASH FLOW FROM OPERATING ACTIVITIES

	2008 £	2007 £
Operating profit	1,871,761	101,630
Depreciation of tangible fixed assets	678,854	679,367
Profit on disposal of tangible fixed assets	(110,133)	(24,636)
Increase in stocks	(1,616,546)	(2,809,386)
Charitable donations	-	(353,750)
Increase in debtors	(76,935)	(1,143,852)
(Decrease)/increase in creditors	(412,326)	212,736
Increase in amounts owed to group undertakings	1,735,993	4,453,930
Net cash inflow from operations	<u>2,070,668</u>	<u>1,116,039</u>

16. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2008 £	2007 £
Returns on investments and servicing of finance		
Interest received	<u>174,075</u>	<u>244,122</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(943,068)	(987,446)
Sale of tangible fixed assets	202,379	461,677
Sale of listed investments	-	7,997
Net cash outflow from capital expenditure	<u>(740,689)</u>	<u>(517,772)</u>

AGRESERVES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2008

17. ANALYSIS OF CHANGES IN NET DEBT

	1 January 2008 £	Cash flow £	Other non-cash changes £	31 December 2008 £
Cash at bank and in hand:	1,323,113	1,504,054	-	2,827,167
Net funds	1,323,113	1,504,054	-	2,827,167

18. CAPITAL COMMITMENTS

At 31 December 2008 the company had capital commitments as follows:

	2008 £	2007 £
Contracted for but not provided in these financial statements	-	-

19. PENSION COMMITMENTS

The Company participates in a pension scheme operated by the Church of Jesus Christ of Latter-day Saints (Great Britain), the Deseret UK Benefit Plans ("the plan"). The schemes are of the defined benefit type and are funded by contributions from the participating companies and their employees at rates determined by independent actuaries in the light of regular valuations. Such contributions are held in trustee-administered funds completely independent of group finances. Full disclosure of the valuation is shown in the accounts of The Church of Jesus Christ of Latter-Day Saints (Great Britain). The company has accounted for the schemes as if they were defined contribution schemes because it is not feasible to split the assets and liabilities between all the companies whose employees are members. Contributions to the schemes for the year were £114,412 (2007: £62,021).

20. OPERATING LEASE COMMITMENTS

At 31 December 2008 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2008 £	2007 £
Expiry date:		
Within 1 year	1,155,950	437,607

21. RELATED PARTY TRANSACTIONS

During the normal courses of business, the company carried out arms length transactions with various related parties, as follows:

AGRESERVES LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

The Church of Jesus Christ of Latter-Day Saints (Welfare) Limited which, under the name of England Farm Properties (the immediate parent company), is the company's landlord;

	2008	2007
	£	£
Charitable donation	-	353,750
Rent payable	1,155,950	437,607
Management fees receivable	97,693	88,073
Creditor balance as at 31 December	(4,073,205)	(3,311,383)

Hallsworth (Farmland Trust) Limited, a 100% subsidiary of the company;

	2008	2007
	£	£
Custom work charges receivable	-	1,637,057
Creditor balance as at 31 December	(3,318,130)	(2,611,341)
Stock transferred from Hallsworth (Farmland Trust) Limited	-	(1,188,807)
Debtors transferred from Hallsworth (Farmland Trust) Limited	-	(400,285)

Farmspeed (Southery Anchor) Limited, a 100% subsidiary of the company;

	2008	2007
	£	£
Custom work charges receivable	-	857,271
Creditor balance as at 31 December	(2,214,722)	(1,947,340)
Stock transferred from Farmspeed (Southery Anchor) Limited	-	505,165
Debtors transferred from Farmspeed (Southery Anchor) Limited	-	177,413
Creditors transferred from Farmspeed (Southery Anchor) Limited	-	(1,700)

22. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company is owned by The Church of Jesus Christ of Latter-Day Saints (Welfare) Limited.

The ultimate holding company and controlling party is the Corporation of the Presiding Bishop of The Church of Jesus Christ of Latter-Day Saints, this company being incorporated in the state of Utah, United States of America.